

2013-2014 Homeownership Education, Counseling and Training Fund (HECAT) Program Concept

PROGRAM GOALS

1. To provide financial support for the full continuum of homeownership education and counseling services
2. To support cooperative relationships and partnerships that provides access to clients for a full range of homeownership education and counseling activities.

ELIGIBLE APPLICANTS

Eligible entities include nonprofit housing organizations as defined in MN Statutes 462A.03, subd. 22, which includes housing and redevelopment authorities and other political subdivisions.

ELIGIBLE USE OF FUNDS

The Homeownership Education, Counseling and Training Fund (HECAT) may be used to address the following activities:

Homebuyer Services, which may include:

- Homebuyer (pre-purchase) counseling to assess mortgage readiness, provide home buying information and referrals and develop an action plan to address barriers to homeownership.
- Homebuyer Education Workshops to teach the steps of the home buying process and prepare consumers for successful home ownership. Workshops are typically 8 hours delivered in single- or multi-day sessions and utilize Home Stretch or other approved curriculum.
- Homebuyer Clubs to teach the steps of the home buying process and prepare consumers for successful home ownership. Homebuyer Clubs are typically 12 or more hours delivered over the course of several months and utilize Home Stretch or other approved curriculum.

Note: All applicants for homebuyer services should review the Standards prior to completing a proposal. Applicants that are awarded funding for homebuyer services must follow all guidelines as established in the Homebuyer Education & Counseling Standards. An updated version is found on [Minnesota Housing's website](#).

Home Equity Conversion Counseling, which may include:

- Tailored one-to-one counseling to help consumers make informed decisions regarding Home Equity Conversion Mortgage and Reverse Mortgage programs.

Foreclosure Counseling, which may include:

- Providing general information to homeowners regarding the foreclosure process, prevention options and referral services.
- Triage, assessment, development of action plans, and negotiation with lenders.
- Providing qualified homeowners with loans (as available) to assist them in making payments on delinquent mortgages, contracts for deed or mobile home and lot rent payments, and other costs necessary to prevent foreclosure or the loss of their residence.

Note: Applicants that are awarded funding for foreclosure counseling services must follow all guidelines as established in the Foreclosure Counseling Standards Guide, including the Foreclosure Counseling Program Model. All applicants for foreclosure counseling services should review the Standards prior to completing a proposal. An updated version is found on [Minnesota Housing's website](#).

CERTIFICATION AND INDUSTRY STANDARDS

National Industry Standards:

Key homeownership education and counseling stakeholders are increasingly looking to verify educators and counselors are providing high quality, trustworthy services that are in the best interest of consumers. The National Industry Standards for Homeownership Education and Counseling provide a baseline for what constitutes quality homeownership education and counseling. The HECAT Funders have endorsed the National Industry Standards as a recognized measure of the professionalism and quality assurance expected of the programs supported by HECAT.

The National Industry Standards for Homeownership Education and Counseling focus on six core areas:

- Competency, including strong knowledge relevant to the type of homeownership education/counseling.
- Training, with recommendations for a minimum number of hours of training.
- Code of Ethics and Conduct, which practitioners should sign and abide by.
- Skills, including communication and listening skills, relevant to the type of homeownership education/counseling.
- Operational knowledge, regarding programs, marketing, etc.
- Performance Standards for practitioners, which include standards recordkeeping, and reporting.

Adopting National Industry Standards: Proposals funded under the 2013-2014 HECAT program year that provide homebuyer education workshops, homebuyer clubs, homebuyer (pre-purchase) counseling, reverse mortgage counseling (HECM) or foreclosure counseling are required to adopt the National Industry Standards in those program areas.

NOTE: Evidence of adoption of the National Industry Standards for each area funded may be included as an Attachment(s) to your application, or if your organization has not yet adopted the standards, evidence of adoption may be furnished at the time HECAT contracts are finalized and submitted to Minnesota Housing (October, 2013). The National Industry Standards are available [online](#).

Certification Standards:

Homebuyer Education Workshops and Homebuyer Clubs: Educators are required to complete and pass the exam for either the Center's Homeownership Educator Training & Certification or NeighborWorks® America HO229 Homebuyer Education Methods: Training the Trainer, within 12 months of hire.

Homebuyer Counseling: Homebuyer Counselors are required to complete and pass the exam for the Center's Homeownership Counselor Training & Certification or NeighborWorks® Americas, HO250 Housing Counseling Certification Principles, Practices, and Techniques (Part 1), within 12 months of hire.

Home Equity Conversion Mortgage Counseling: HECM Counselors must take an approved formal HECM training and pass the HECM exam.

Foreclosure Counseling: Foreclosure Counselors are required to complete coursework and pass the exam for either of the following trainings within 12 months of hire;

1. Minnesota Home Ownership Center Foundations of Foreclosure Counseling or
2. NeighborWorks® America "HO345 Foreclosure Intervention and Default Counseling certification (Part 1)" and complete a one day Minnesota Home Ownership Center Foreclosure Counseling Model Training

Note: Foreclosure Counselors receiving certification from the Minnesota Mortgage Foreclosure Prevention Association or prior to October 1, 2009 have satisfied the certification standard.

Terms of Grant, Grant Agreements and reporting

Term of the Grant: Funds for the above eligible activities will be made available for a period of twelve (12) months from October 1, 2013 through September 30, 2014.

Grant Agreements: Administrator agreements will be mailed to the contact person upon approval of the respective boards of the funding organizations.

Reporting: A reporting packet will be sent to each grantee. The reporting packet will include necessary reporting forms and instructions for submitting reports. Reports shall cover all services provided under the grant during the grant period. All reporting should be submitted to the Minnesota Homeownership Center as described in the reporting packet. Agencies funded for homebuyer (pre-purchase) counseling, homebuyer education workshops, homebuyer clubs and HECM counseling and foreclosure counseling are required to report to the Center using CounselorMax™ (a web-based case management system).

This request for proposal is subject to all applicable federal, state, and municipal laws, rules, and regulations. Minnesota Housing reserves the right to modify or withdraw this RFP at any time and is not able to reimburse any applicant for costs incurred in the preparation or submission of proposals. It is the policy of Minnesota Housing to further fair housing opportunities in all Minnesota Housing programs and to administer its housing programs affirmatively, so that all Minnesotans of similar income levels have equal access to programs regardless of race, color, creed, religion, national origin, sex, sexual orientation, marital status, status with regard to receipt of public assistance, disability, or family status.